

TOWN OF WHITESTOWN REDEVELOPMENT COMMISSION

RESOLUTION NO. 2019-02

RESOLUTION APPROVING DEDUCTION APPLICATION FOR AREA DESIGNATED AN ECONOMIC REVITALIZATION AREA

INDIANAPOLIS CAR EXCHANGE

WHEREAS, the Town Council of the Town of Whitestown, Indiana (the “Town”) has received an application for deductions under Indiana Code 6-1.1-12.1, including a Statement of Benefits on Form SB-1 / Real Property, attached hereto as Exhibit A and incorporated herein by reference (the “Abatement Application”) from Indianapolis Car Exchange (the “Applicant”), for the construction of a 90,000 square foot building for storage of inventory, re-conditioning reporting and marketing, and additional financial processing office space, as more particularly described in the Abatement Application (the “Project”); and

WHEREAS, pursuant to and as more particularly described in the Abatement Application, the Project will be constructed at 5161 South Indianapolis Road in the Town (the “Site”); and

WHEREAS, the Applicant will undertake the Project on the Site which will be owned or leased by it and which is proposed to be included in an economic revitalization area to be designated by the Town Council of the Town (the “Town Council”) as the Indianapolis Car Exchange Economic Revitalization Area (the “ERA”); and

WHEREAS, absent extraordinary circumstances, the Town requires that applications for property tax deductions be approved by a resolution adopted by the Commission and the Commission hereby finds that the Abatement Application should be approved.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN OF WHITESTOWN REDEVELOPMENT COMMISSION, THAT:

Section 1. The Commission has considered the evidence presented and now finds and determines that it will be of public utility and benefit to approve the Abatement Application. The Commission hereby approves the Abatement Application and recommends approval of the Abatement Application by the Town Council and the taking of actions necessary in connection therewith, including the establishment of the ERA.

Section 2. Subject to approval by resolution of the Town Council, the Applicant shall be entitled to a ten (10) year real property tax abatement for the Project in accordance with the following schedule:

Real Property Tax Abatement Schedule

<u>Year</u>	<u>% of Assessed Value Exempt From Real Property Taxes</u>
1	100%
2	95%
3	80%
4	65%
5	50%
6	40%
7	30%
8	20%
9	10%
10	5%

Section 3. The Secretary of the Commission is hereby directed to take all necessary actions to carry out the purposes and intent of this Resolution and approval of the Abatement Application, including delivering this Resolution to the Town Council.

Section 4. The recitals to this Resolution are essential and are incorporated herein by reference.

Section 5. Any part of this Resolution that is invalid, unenforceable or illegal shall be ineffective to the extent of such invalidity, enforceability or illegality without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality thereof.

Section 6. This Resolution shall take effect immediately upon adoption by the Commission.

Passed and adopted at a meeting of the Town of Whitestown Redevelopment Commission this 4th day of February, 2019.

TOWN OF WHITESTOWN
REDEVELOPMENT COMMISSION

President

Vice President

Secretary

Member

Member

3577187

Exhibit A

Abatement Application



TOWN OF WHITESTOWN, INDIANA

APPLICATION FOR REAL PROPERTY TAX ABATEMENT

Instructions and Procedures

Indiana state law requires that this application for real property tax abatement and statement of benefits form (SB-1/RP) be submitted to the Town of Whitestown, Indiana (the "Town") prior to the initiation of the project. Additionally, final approval of the application must be obtained from the Town before starting the construction of real property improvements for which tax abatement is being requested.

The completed application, including all attachments and forms, and fees should be submitted to:

**Town of Whitestown
Attn: Mr. Dax Norton, Town Manager
6210 Veterans Drive
Whitestown, Indiana 46075
Office: (317)732-4530
Mobile: (317)495-5864
Fax: (317)769-6871
E-Mail: dnorton@whitestown.in.gov**

Prior to submitting the attached application to the Town, all questions must be answered as completely as possible and must be signed on the Statement of Benefits Form (SB-1/RP) and the last page of the application. Incomplete or unsigned applications will not be accepted as official filings. All applicants are encouraged to discuss the proposed project and tax abatement request with the Town Manager and the Presidents of the Whitestown Redevelopment Commission and Whitestown Town Council prior to filing their application.

Fees

A \$2,000 non-refundable application fee is required when making an application for real property tax abatement and is payable to the "Town of Whitestown" within 7 days of the approval of the application (the "Application Fee"). In addition, if the

applicant is submitting an application for a real property tax abatement that does not conform with the traditional tax abatement schedule (a "Modified Abatement Schedule"), the applicant may be required to pay an additional fee (the "Modified Abatement Application Fee"). The amount of the Modified Abatement Application Fee will be determined by the Town in its sole discretion based upon all of the facts and circumstances (including the proposed Modified Abatement Schedule). Payment of the Modified Abatement Application Fee shall be made within 14 days of notification in writing by Whitestown to the Applicant of the amount of such Modified Abatement Application Fee.

All companies requesting real property tax abatement will be required to execute a Memorandum of Understanding with the Town prior to consideration of the tax abatement request, the form of which memorandum is included with this application.

Any requests for additional information or questions should be directed to the following:

Town of Whitestown
Attn: Mr. Dax Norton, Town Manager
6210 Veterans Drive
Whitestown, Indiana 46075
Office: (317)732-4530
Mobile: (317)495-5864
Fax: (317)769-6871
E-Mail: dnorton@whitestown.in.gov

Town of Whitestown, Indiana
Real Property Tax Abatement Application
Project Questionnaire

1. Name of the company for which personal property tax abatement is being requested: Indianapolis Car Exchange

2. State the name, title, address, telephone number and e-mail address of a company representative who may be contacted concerning this application:

Name and Title: Danny Hockett, Owner

Address: 5161 S. Indianapolis Rd., Whitestown, IN 46075

Telephone: 317-769-7777

E-Mail Address: dannyh@icefriday.com

3. State the name, title, address, telephone number and e-mail address of a company representative responsible for filing the required annual compliance forms (Form CF-1) which will be used by the Town to determine if your company is compliant with the terms of the abatement application, including Form SB-1, and whether the abatement will continue or be terminated (the contact should be made aware of the compliance form's importance).

Name and Title: Ben Worrell, Project Manager

Address: 201 N. Illinois St., Ste. 1000, Indianapolis, IN 46204

Telephone: 317-562-0407

E-Mail Address: bworrell@mcguireresponsel.com

4. Location of property for which personal property tax abatement is being sought:

a) Street Address: 5161 S. Indianapolis Rd., Whitestown, IN 46075

b) Tax Parcel Number(s): 06-07-26-000-003.000-019

Attach a legal description and area map of the proposed project location.

5. What is the amount of the most recent assessment attributable to (this information is available on the most recent property tax form) the real property at the project location:

\$724,300.00

6. Has this project or tax abatement request been discussed with either the President of the Whitestown Redevelopment Commission, the Whitestown Town Manager or the President of the Whitestown Town Council? ☒ Yes ☐ No

7. Does your company currently conduct manufacturing operations, research and development, distribution and/or information technology research at this location? If so, how long has your company been at this location?

Yes - distribution for 22 years

8. Does your business have other operations in Indiana? If so, please list the location of the other operations. No

9. What is the size of the facility to be improved or constructed?

Approximately 90,000 sq. ft. (300' x 300' building)

10. On a separate page, briefly describe the nature of the business of your company.

11. On a separate page, briefly describe the proposed real estate improvements to be constructed by your company at the project location.

12. Have the proposed real estate improvements been constructed (Please note that State statute requires applicants to delay construction until after abatement has been granted)?

☐ Yes ☒ No

13. What is the anticipated date for construction to begin? Q2 2019

14. What is the anticipated date for project completion? Q4 2019

15. If a facility is being improved, does the proposed improvement to the facility change the function of the current facility?

☐ Yes ☒ No

a) If yes, please describe the any new functions to be performed at the improved facility:

N/A

- b) What is the estimated value of the real property improvement for which real property tax abatement is being requested? Approximately \$5,000,000

16. Complete the following profile of the Company that will occupy the property for which tax abatement is being requested:

- a) Number of current full time permanent hourly employees by skill level (include average hourly wage rate excluding benefits and overtime)

Skilled 0 Average hourly wage rate for skilled positions N/a

Semi-skilled 10 Average hourly wage rate for semi-skilled positions \$19.00

Clerical 0 Average hourly wage rate for clerical positions N/a

Salaried _____ Average salary (per hour) for salaried positions _____

TOTAL NUMBER OF EXISTING EMPLOYEES (permanent and full-time)
10

- b) Number of current part-time hourly employees by skill level (include average hourly wage rate excluding benefits and overtime)

Skilled 0 Average hourly wage rate for skilled positions N/a

Semi-skilled 0 Average hourly wage rate for semi-skilled positions N/a

Clerical 110 Average hourly wage rate for clerical positions 11.50

TOTAL NUMBER OF EXISTING EMPLOYEES (part-time)
110

- c) Approximate value of benefits for existing and new employees on a per hour basis (e.g. benefits are valued at an additional \$3.00 per hour, etc.) \$2.50

- d) Summary of benefits for existing and new employees.

Health benefits, Dental benefits, conditional bonuses

- e) Number of created full-time permanent hourly employees by skill level (include average hourly wage rate excluding benefits and overtime)

Skilled 0 Average hourly wage rate for skilled positions N/a

Semi-skilled 25 Average hourly wage rate for semi-skilled positions \$19.00

Clerical 0 Average hourly wage rate for clerical positions N/a

Salaried _____ Average salary (per hour) for salaried positions _____

TOTAL NUMBER OF NEW EMPLOYEES (permanent and full-time)
25

- f) Number of created part-time hourly employees by skill level (include average hourly wage rate excluding benefits and overtime)

Skilled 0 Average hourly wage rate for skilled positions N/a

Semi-skilled 0 Average hourly wage rate for semi-skilled positions N/a

Clerical 0 Average hourly wage rate for clerical positions N/a

Salaried _____ Average salary (per hour) for salaried positions _____

TOTAL NUMBER OF NEW EMPLOYEES (part-time)
0

- g) What is the total dollar amount to be spent on new salaries? \$988,000.00

- h) Provide schedule for when new employee positions are expected to be filled.
2019 - 10 employees; 2020 - 10 employees; 2021 - 5 employees

17. On a separate page, please give a detailed description of what the impact on your business will be if the proposed real property improvement is not constructed (e.g. loss of jobs, contract cancellations, loss of production, change in location, etc.).

18. What is the term of the tax abatement requested (maximum 10 years). 10

19. Attach a schedule of the proposed tax abatement percentages in each year (note, if the proposed tax abatement schedule is other than a traditional tax abatement schedule the Town may impose additional fees for consideration).

Example (note this is a traditional 10 year abatement schedule)

Year	% of Assessed Value Exempt From Real Property Taxes
1	100%
2	95%
3	80%
4	65%
5	50%
6	40%
7	30%

8	20%
9	10%
10	5%

20. Complete the following schedule concerning the proposed real property taxes to be abated and include on a separate page the worksheets for calculating the figures provided below:

I. Projected Current Conditions Without Abatement

A. Current Annual Real Property Taxes: \$17,500
 B. Projected 10-Year Total: \$175,000

II. Projected Conditions With Abatement

A. Projected 10-Year Real Property Taxes: \$486,000.00
 B. Projected 10-Year Abatement: \$476,000.00

III. Projected Total (Assumes Abatement Granted)

A. Total Amount Abated: \$476,000.00
 B. Total Taxes to be Paid: \$656,000.00

Note: Attach Worksheets

21. Which approvals or permits will be required for the project?

- | | |
|-----------------------------|----------------------------|
| (a) zoning change | (e) variance |
| (b) annexation | (f) special exception |
| (c) <u>plat approval</u> | (g) <u>building permit</u> |
| (d) <u>development plan</u> | (h) other _____ |

22. Will additional public infrastructure/facilities be required? If so, please explain in detail costs/funding source and schedule for construction.

No

23. For the proposed project, is the applicant requesting other incentives from the Town (e.g., tax increment financing, economic development revenue bond financing)? If so, please explain. No

24. Please describe any community involvement/contributions the applicant has provided in the past and/or expects to provide in the future.

Support of the Back to the Fifties Festival, Little League teams, Zionville Schools, and Whitesboro Police Department

25. Will local suppliers and contractors be used in the construction/operation of the proposed project? If so, please explain. Yes - All Construction

26. Has the applicant previously been approved for economic development incentives from the Town (e.g., tax abatement, tax increment financing, economic development revenue bond financing)? If so, please explain and include information with respect to applicant's compliance with project representations made to the Town at the time the incentives were approved.

No, the applicant has never asked for incentives during their 22 years of operations. This incentive will assist with the financial viability of this project.

27. Is the applicant current on all of its payment obligations to the Town and the County (e.g., property taxes, utility (gas, water, sewer, electric) fees (such as capacity fees, monthly services charges), guaranties on any debt obligations, etc.)? Yes

28. Does the proposed project take advantage of any "green" technology to reduce adverse environmental impact? If so, please explain. No

CHECKLIST OF ATTACHMENTS:

<u> </u>	Application Fee (\$2,000)
<u> </u>	Completed Memorandum of Understanding
<u> </u>	Completed Form SB-1/RP
<u> </u>	Legal Description of Project Site
<u> </u>	Area Map of Project Site
<u> </u>	Description of Business at Site
<u> </u>	Description of Improvements to Site
<u> </u>	Description of Impact on Business if Improvements not Constructed
<u> </u>	Schedule of Annual Tax Abatement %
<u> </u>	Worksheets for Abatement Calculation

I hereby certify that the information and representations on and included with this application for Real Property Tax Abatement are true and complete.

I understand that if this request for property tax abatement is granted that I will be required to annually provide information to the Town with respect to compliance with the project description, job creation and retention figures (and associated salaries), investment, and other information contained in this application, including the Form SB-1/RP. I also acknowledge that failure to provide such information may result in a loss of tax abatement deductions.

Don Arnold
Signature of Owner or Authorized Representative

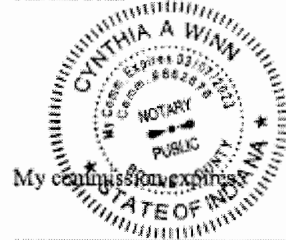
OWNER
Title

11/30/18
Date

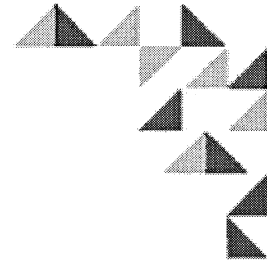
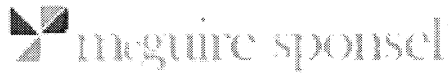
STATE OF _____)
COUNTY OF _____)

SS: #3977

Before me, the undersigned Notary Public, this ____ day of _____, 2014, personally appeared _____ and acknowledged the execution of the foregoing application for real property tax abatement for the Town of Whitestown, Indiana. In witness whereof, I have hereunto subscribed my name and affixed my official seal.



Cynthia A. Winn
_____, Notary Public
Residing in _____ County, _____



November 29, 2018

Town of Whitestown
Attn: Mr. Dax Norton, Town Manager
6210 Veterans Dr.
Whitestown, IN 46075

Re: Whitestown Real Property Abatement Application – Supplemental Questions

10.) Indianapolis Car Exchange is an independently owned, Dealers only, wholesale remarketing auto auction center. Vehicles and dealers from around the Midwest congregate every Friday for consignment sales. Indianapolis Car Exchange services also include:

- Vehicle Transportation
- Reconditioning Services
- Mechanical Work
- Onsite PDR & Body shop
- Marshalling
- Title Services
- Floor Plan Financing

11.) Indianapolis Car Exchange desires to build out a 90,000 sq. ft. building for weatherized storage of inventory, re-conditioning reporting and marketing and additional financial processing office space. Future uses for this space could include high-end, online auctioning services, and high-end vehicle displays.

17.) Indianapolis Car Exchange requests this abatement for the building to make the project financially viable. If the tax abatement is not granted, the building will not be constructed and no planned improvements to the existing lot will occur.

19.) Traditional 10 year abatement schedule, as outlined in the Whitestown Abatement Application, is desired.



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R8 / 10-14)

Prescribed by the Department of Local Government Finance

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☒ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

INSTRUCTIONS:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
3. To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
4. A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
5. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

20 <u>19</u> PAY 20 <u>20</u>
FORM SB-1 / Real Property
PRIVACY NOTICE
Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

SECTION 1 TAXPAYER INFORMATION					
Name of taxpayer Indianapolis Car Exchange					
Address of taxpayer (number and street, city, state, and ZIP code) 5161 S. Indianapolis Rd., Whitestown, IN 46075					
Name of contact person Danny Hockett		Telephone number (317) 769-7777		E-mail address dannyh@icefriday.com	
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Whitestown Town Council					
Location of property 06-07-26-000-003.000-019		County Boone		Resolution number 019	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Indianapolis Car Exchange plans to build a 300'x300' warehousing facility for office, condition reporting, and distribution/warehousing of vehicle inventory. This facility will match existing facilities with improved facade and building material components.				Estimated start date (month, day, year) 01/01/2019	
				Estimated completion date (month, day, year) 12/01/2019	
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 10.00	Salaries \$395,000.00	Number retained 10.00	Salaries \$395,000.00	Number additional 25.00	Salaries \$988,000.00
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
			REAL ESTATE IMPROVEMENTS		
			COST	ASSESSED VALUE	
Current values				727,200.00	
Plus estimated values of proposed project			5,000,000.00		
Less values of any property being replaced					
Net estimated values upon completion of project			5,000,000.00		
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER					
Estimated solid waste converted (pounds)			Estimated hazardous waste converted (pounds)		
Other benefits Company employs an additional 110 part-time employees with an annual estimated payroll of \$1,300,000					
SECTION 6 TAXPAYER CERTIFICATION					
I hereby certify that the representations in this statement are true.					
Signature of authorized representative 				Date signed (month, day, year) 11/30/18	
Printed name of authorized representative Danny Hockett				Title owner	

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed _____ calendar years* (see below). The date this designation expires is _____.
- B. The type of deduction that is allowed in the designated area is limited to:
 1. Redevelopment or rehabilitation of real estate improvements ☐ Yes ☐ No
 2. Residentially distressed areas ☐ Yes ☐ No
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (specify) _____.
- E. Number of years allowed: ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 (* see below)
☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☐ Year 10
- F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?
☐ Yes ☐ No
 If yes, attach a copy of the abatement schedule to this form.
 If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved (signature and title of authorized member of designating body)	Telephone number ()	Date signed (month, day, year)
Printed name of authorized member of designating body	Name of designating body	
Attested by (signature and title of attester)	Printed name of attester	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4.1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
- (2) The number of new full-time equivalent jobs created.
- (3) The average wage of the new employees compared to the state minimum wage.
- (4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.